

SENATE BILL REPORT

SB 5496

As of February 17, 2009

Title: An act relating to extending the time period for a franchise agreement for a rail line over the Milwaukee Road corridor.

Brief Description: Extending the time period for the department of transportation to enter into an agreement for a rail line over the Milwaukee Road corridor.

Sponsors: Senators Becker and Swecker.

Brief History:

Committee Activity: Transportation: 2/17/09.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Dory Nicpon (786-7321)

Background: In 1980 the Milwaukee Road railroad declared bankruptcy, sold some of its properties, and salvaged its track. In 1981 the Legislature appropriated \$3.5 million to purchase the right of way in eastern Washington.

The right of way owned by the state was eventually put under the management and control of three different state agencies: State Parks and Recreation Commission (Parks Commission), Department of Natural Resources (DNR), and the Department of Transportation (DOT). It was originally envisioned that the entire right of way would form a cross-state recreational trail.

During the 1995 legislative interim, the Legislative Transportation Committee convened a Freight Rail and Freight Mobility Task Force to examine the old Milwaukee Road corridor's potential for relieving freight congestion. The task force recommended resuming freight rail service over the portion of the old Milwaukee Road railroad running from Ellensburg to Lind.

In order to resume rail service, a unified transportation corridor was created. State-owned portions of land running from Ellensburg to Lind were consolidated into a single owner, DOT. DOT was charged with management and control of the corridor, and was directed to negotiate a franchise agreement with a qualified rail carrier to operate service over the line.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Since the new transportation corridor would interfere with the cross-state trail use, the Parks Commission was directed to establish a "replacement trail" once the DOT entered into a franchise agreement for the provision of rail service in the new corridor.

If DOT does not enter into a franchise agreement by July 1, 2009, the legislation creating this consolidated transportation corridor sunsets, and management of the trail between Ellensburg and Lind reverts back to the three state agencies.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Proposed First Substitute): The deadline for DOT to enter into a franchise agreement for rail service over the Ellensburg to Lind portion of the old Milwaukee Road corridor is extended by ten years.

If an agreement is not entered into by July 1, 2009, the transportation corridor between Ellensburg and Lind will revert to the prior ownership and management by DOT, the Parks Commission, and DNR.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect on June 30, 2009.

Staff Summary of Public Testimony: PRO: It is critically important to preserve freight rail capacity. This bill allows the state to have added freight capacity in the future, and is in keeping with the Governor's Climate Action plan. Even though economic conditions are not right in the short-term, over the long-term, this corridor could be very strategic for the state.

OTHER: Hope was expressed that multiple uses, including dual trail and rail uses, will be considered.

Persons Testifying: PRO: Senator Becker, prime sponsor; Scott Witt, DOT; Richard Myers, Washington Public Ports Association; Terry Finn, Burlington Northern Santa Fe Railway.

OTHER: Fred Romero, Parks Commission.